



The Chemical Company

Senate Energy & Technology Committee
Testimony HB 4265, HB 4266
Senate Hearing Room, Ground Floor, Boji Tower
124 W. Allegan Street, Lansing, MI 48933
May 29, 2012

Chairman Nofs and members of the Committee;

Thank you for the opportunity to present testimony in opposition to House Bills (HB) 4256 and 4266. My name is Christopher Bradlee, and I am the Market Development Manager, North America, for BASF Corporation's Biodegradable Polymers business. BASF – The Chemical Company is a company with a strong presence in Michigan. We have facilities in Wyandotte, Livonia, Southfield, Mattawan, Lincoln Park, Wixom, Rochester Hills and Troy. All total, BASF employs more than 1,400 people in the State.

BASF is a global leader in sustainability. For us, sustainability means combining economic success, social responsibility and environmental protection. It is our business model that through science and innovation we find the best balance between these three pillars, and with further integration of sustainability as the key driver of growth and value creation, together with our customers we will continue to develop sustainable solutions for the challenges of the future. BASF stands in opposition to HB 4256 and HB 4266 on the basis that the current ban on yard clippings to Michigan's landfills is the best management practice and will result in the best economic, environmental and social returns to the State. In other words, yard clippings to composting is the sustainable solution.

Considering economic value creation, it is a better business model for the State of Michigan to create compost from yard clippings rather than ineffectually converting it to methane. Compost has more economic value than methane because compost is a multi-functional material that has importance in the commercial agriculture, horticulture, landscaping and building and construction markets. For example, compost-based amended soils are "brown gold" when it comes to rehabilitation of contaminated sites due to its ability to provide a cost-effective *in situ* process for remediation, revitalization and reuse of many types of disturbed and contaminated sites. Especially those dominated by inorganic contaminants. In



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2010 BASF performed a life-cycle economic assessment of compost, and determined the value of organic material going into composting. For this study we also looked at the value of organic material going to landfill with the subsequent conversion/capture of methane. Under the conditions of this study the results found that the economic value of organics to composting is about \$33.00 dollars per ton, compared to \$2.00 dollars per ton for organics to landfills with biogas collection. The results of this study are currently undergoing third-party verification by NSF International, Ann Arbor, Michigan, and will be available on their website in near future. The significant lower economic return makes the point that organics to energy makes sense in systems designed specifically for this purpose, but not in landfills where the decay, capture and conversion are not optimal. It is questionable whether landfill biogas is green energy or green washing.

At BASF we see this yard clippings ban in the larger context of "zero waste", where zero waste is a management practice that puts emphasis on the concepts of reduction, reuse and recycling/composting and provides the opportunity to maximize the efficiency of natural resource usage. Organics diversion from landfill is an important facilitator of the zero waste bio-economy in the State. The yard clippings ban is not a corporate welfare program for composters, as some have suggested; rather it's an effective tool that will grow zero waste programs in the State of Michigan and will likely result in significantly better returns to the economic, environmental and societal aspects. In other words, it's more sustainable.

In conclusion, BASF would like to state clearly that we are not intending to say that landfills are bad, *per se*; rather, that we need to be better stewards at how we manage the organics in solid waste. While landfills are valuable, finite, resources that should be used to manage non-recoverable or non-recyclable wastes, they are not a sustainable solution for resource management.

Thank you, I would be pleased to answer your questions.